

Top Salvador Police Official Said to Be a C.I.A. Informant

By PHILIP TAUBMAN

Special to The New York Times

WASHINGTON, March 21 — The head of El Salvador's Treasury police has been a paid informant for the Central Intelligence Agency since the late 1970's, according to American officials.

The Treasury police have long been considered the least disciplined and most brutal of the Salvadoran security forces and some of the members have been linked to death squad activities by the Reagan Administration.

The American officials, who are familiar with C.I.A. activities in El Salvador, said that the Treasury police chief, Col. Nicolás Carranza, had received more than \$90,000 a year from the C.I.A. as an informant for the last five or six years.

A senior officer of the Treasury police, their head of intelligence, Maj. José Ricardo Pozo, was removed from his job late last year after the Reagan Administration pressed the Salvadoran Government to take action against security officers, including Major Pozo, who were linked to the death squads, according to State Department officials. The American officials maintained, however, that there was no credible evidence Colonel Carranza was personally involved with the death squads.

In visits to El Salvador at the time of Major Pozo's dismissal, according to Administration officials, Vice President Bush and other senior United States officials told Salvadoran leaders that military commanders, including Colonel Carranza, should move aggressively against any colleagues involved in death squad activities to dispel the impression that the commanders tacitly condoned the groups.

Conduct Said to Have Improved

The State Department officials said today that since Colonel Carranza took command last year, the Treasury police had improved their conduct somewhat but remained a major source of human rights abuses.

A diplomat in El Salvador said today of the Treasury police, "That is still the organization that people would least like to be picked up by."

"We can't say the organization as a whole is involved with the death squads, but we did complain about some top officials, including Major

Pozo, and their subordinates," a high-ranking State Department official said.

Intelligence officials, while declining to talk about Colonel Carranza, said C.I.A. operations in El Salvador had not involved the agency directly or indirectly in sanctioning death squads.

A C.I.A. spokesman, George V. Lauder, refused to confirm or deny that Colonel Carranza had been an informant. Repeated efforts this week to reach Colonel Carranza by telephone were unsuccessful. Aides said he was out of his office and unavailable.

Lieut. Col. Ricardo Cienfuegos, the chief spokesman for the Salvadoran armed forces, said today that without proof of a connection between Colonel Carranza and the C.I.A. he could make no comment. "We are not going to keep answering these charges without proof," he said.

American officials said the use of Colonel Carranza as a paid informant was part of the C.I.A.'s effort to monitor military and political developments, including power struggles within the Salvadoran military. When he was recruited by the C.I.A. in the late 1970's, Colonel Carranza was the Deputy Minister of Defense.

Before taking command of the Treasury police last May, Colonel Carranza worked at the Salvadoran telephone company and electric company in posts commonly occupied by ranking military officers.

Three Internal Security Forces

The Treasury police, originally established to deal with revenue violations, are one of three internal security forces in El Salvador. The others are the national police and the national guard. All three are active in efforts to counter guerrilla forces. Like the army, the three organizations report to the Minister of Defense.

John N. McMahon, the Deputy Director of Central Intelligence, in a recent appearance before the Senate Select Committee on Intelligence, testified that C.I.A. policy barred the use of agents or informants who were involved in assassinations, according to two members of the committee.

One of the Senators, who asked not to be identified, said that the C.I.A. had recently terminated its relationship with a Salvadoran security officer believed to be involved with the death squads even though the man had been a valuable source of information. That former informant, the Senator said, was not Colonel Carranza.

Information linking Colonel Carranza to the C.I.A. was initially provided by a former Salvadoran official who recently accused leading Salvadoran military officers and civilians of involvement in death squad activities. In an interview, the former Salvadoran official accurately identified the current C.I.A. station chief in El Salvador and named his two immediate predecessors. His information about Colonel Carranza's connection to the C.I.A. was confirmed by American officials familiar with the agency's operations in El Salvador.

Anonymity Requested

The former official's accusations about the death squad links of Salvadoran officers and civilians could not be independently confirmed.

The former Salvadoran official, who was promised \$50,000 by a group of critics of Reagan Administration policies in Latin America if he would speak out, has asked to remain anonymous for fear of reprisals. He has already received \$29,500 of the \$50,000.

American officials said it was common for the C.I.A. to recruit and pay senior military officers in foreign countries to provide information and to further American interests. Many of these informants, the officials said, are involved on their own in activities that the C.I.A. does not necessarily support or condone. "You can't always do business with honorable people," one former intelligence officer said. He added, "In such cases, the less you know, the better it is."

This gray area was illustrated two years ago when the former head of Mexico's national police was charged in San Diego with directing a stolen car ring that operated in southern California. Intelligence officials said the man had been a key C.I.A. informant in Mexico.

In an interview broadcast by CBS News tonight, the former Salvadoran official repeated his assertion that Colonel Carranza worked for the C.I.A. and was involved with the death squads.

CIA set to seal its 'operational' files

ACLU aids agency in bid to erode FOIA

By DIANA M.T.K. AUTIN

The CIA is about to win a partial exemption from the federal Freedom of Information Act (FOIA). This exemption, freeing the agency from making public many of its operational files, will cripple the efforts of many who have relied on FOIA disclosures to monitor CIA political interference abroad and the progress of its covert surveillance. Furthermore the CIA has achieved this exemption with the aid of the American Civil Liberties Union (ACLU), supposedly a liberal protector of U.S. civil rights.

A controversial Reagan administration secrecy order has meanwhile been shelved due to congressional opposition.

John McMahon, deputy director of the CIA, said in recent House Intelligence Subcommittee hearings that significant numbers of secret agents had stopped providing information to his agency because they feared exposure under the FOIA.

"Foreign agents, some very important, have either refused to accept, or have terminated a relationship on the grounds that in their minds the CIA is no longer able to guarantee that they can be protected," McMahon testified.

No specific evidence was offered at the hearing, and McMahon provided no estimate of how many U.S. agents might have quit or refused to be recruited.

The House Intelligence Subcommittee is considering legislation that would exempt the CIA's "operational" files from FOIA search and review requirements. Operational files contain information on how the CIA gathers—and manufactures—intelligence around the world, and it is among the most critical forms

of information available to those resisting covert surveillance.

The CIA has lobbied for complete exemption ever since the 1974 amendments to the FOIA first opened CIA files to limited public scrutiny, on the grounds that publicity interferes with CIA intelligence gathering duties.

Opponents of the exemption have argued that if agents or informers fear exposure under the FOIA, it can only be because the CIA has not adequately explained existing law. Current FOIA provisions already limit access whenever the information sought would reveal the identity of informers or agents or place their lives in danger, or would interfere with law enforcement duties.

The CIA's efforts to gain complete exemption were unsuccessful until the ACLU agreed to negotiate a compromise partial exemption. This has now been passed by the Senate, and will probably pass the House as well, according to an aide to the House FOIA Oversight Committee.

The ACLU's actions on this issue have been widely denounced by other civil liberties and press groups, all of whom agree that the CIA should not get a complete exemption. Without ACLU aid, all agree, the CIA could not have won its point. According to the ACLU, however, its compromise bill was a necessary evil to prevent the CIA from winning an even stronger secrecy measure.

SECRECY ORDER SUSPENDED

On another front, the Reagan administration has been forced to suspend a controversial government secrecy order, after widespread congressional and public resistance.

National Security Directive 84 (NSD 84), issued by Reagan a year ago but temporarily delayed by Congress in November, allowed government agencies the widespread use of lie detector tests to identify the sources of leaks of classified material. It also allowed the government to demand lifetime censorship of the writings and conversations of government officials with access to classified information.

NSD 84 was seen as limiting debate on vital issues and violating constitutional rights while doing little to prevent leakage of classified information and still less to protect national security.

The General Accounting Office released a study of six agencies completed last year, concluding that only 21 of the 328 claimed unauthorized disclosures in the past five years had been released through former officials' writings or speeches. Only one or two of these could be said to have involved genuine intelligence secrets.

Even Richard Willard, the Justice Department official responsible for drafting the directive, conceded that the censorship program would be ineffective in preventing espionage or the unauthorized disclosure of sensitive information.

The unreliability of lie detector tests was another factor in congressional opposition to NSD 84. Polygraph test results are inadmissible in federal court for this reason. Even advocates of the polygraph admit that machines and operators can make mistakes, falsely branding innocent employees as liars. It was feared that this would increase if the use of lie detector tests was institutionalized.

It is also generally recognized that many documents have been labeled secret despite the fact that the information they contain pose no threat to national security and may instead be classified to cover up politically embarrassing information or proof of government illegality.

The vast majority of "leaks" fall into this category. In fact, members of Congress often depend on such leaks to check on the activities of the executive branch.

NSD 84 has not been completely withdrawn, merely suspended, until a "bipartisan solution" can be worked out between Congress and the administration. Until that time, the public's right of access to vital information has been given a temporary reprieve.

ARTICLE APPEARED
ON PAGE 25

Approved For Release 2005/12/14 : CIA-RDP91-00901R000600200014-8

March 1984

Seminar Reviews Ways to Keep U.S. Technology in Friendly Hands

IT IS NO SECRET that agents for the Soviet Union will buy, borrow, or steal to obtain American technology. Much of the technology that passes into Soviet hands and ultimately into its weapons systems is obtained on the open market through diversionary tactics involving third and fourth countries. American-made computers, believed headed to the U.S.S.R., recently were confiscated in Sweden.

The Central Intelligence Agency (CIA) estimates that some 100,000 people are involved in the U.S.S.R.'s scouring of the West for information and technical know-how and that this incessant search is directed from the highest levels of Soviet government.

Most Americans do not quarrel with the conclusion that American technology gives the U.S.S.R. the means to upgrade its arsenal in a shorter time than if it had to rely on its own research and development. Nor do they quarrel with the thesis that the Soviet Union's extensive use of American technology is forcing the U.S. and Western Europe to spend billions of dollars to keep pace. However, considerable controversy revolves around ways to control the export of goods and know-how that the Russians can put to military use. This was the essence of a recent seminar on export controls organized by the Academies of Sciences and Engineering for participants in the Academy Industry Program.

The program was particularly timely because the Export Administration Act, which grants the president authority to stop shipments of sensitive technology, expired the end of February, and reauthorization proposals were being considered by Congress. The debate centered on how to monitor high-technology exports to Western Europe and what role the Department of Defense should play in the licensing process.

Sensitive goods pass along complex trade channels from West to East. John N. McMahon, deputy director of the CIA, described a typical route from the U.S. to South Africa to West Germany to Sweden and eventually to the U.S.S.R. There are at least five networks of some 300 firms operating in Europe and involving about 30 countries, he told seminar attendees. "The U.S. alone cannot respond adequately to the threat, but it must take the lead," he said.

William Schneider, Jr., undersecretary for security assistance, science, and technology for the Department of State, seconded this contention. "Unilateral controls generally are not effective," he declared. "It is essential that we have a multilateral approach." The vehicle for obtaining allied cooperation in dealing with high tech trade is the Coordinating Committee for multinational export controls (COCOM), a body consisting of most NATO members and Japan. Schneider contended that following Europe's displeasure with U.S. policy regarding the Soviet pipeline, there has been "a fundamental change in their attitudes." Export control activities must be equitable and consistent to gain support, he pointed out.

Speaking from the exporters' perspective, Roland W. Schmitt, senior vice president for corporate research and development at General Electric Co., said he feared that an "obsession with defensive strategy will cripple offensive strategies for developing new technologies." Some government proposals, he noted, could hamper the administration's objectives to assure that U.S. technology for defense is superior.

Schmitt urged the administration to keep some guidelines in mind when developing control policies: dual use — many technologies may be used commercially as well as militarily, and con-

trols should be applied "downstream" at the application level, not "upstream," where they "could affect our ability to develop more [technology]"; military criticality — avoid confusing technology that is critical to military needs with that which is merely useful; foreign availability — consider whether the U.S.S.R. can obtain equivalent technology from other sources; technology transfer — control of manufacturing know-how may be more important than curtailing export of products.

Other speakers from federal agencies, industry, and academe explored details of policy and procedure in formal presentations and in discussions with attendees. Frequent proposals echoed the findings of a panel of the Committee on Science, Engineering, and Public Policy (COSEPUP) in the 1982 report, *Scientific Communication and National Security*. That panel cautioned that overly restrictive controls on exchange of scientific information can weaken, rather than strengthen, U.S. defenses by discouraging technological innovation. It recommended criteria for judging whether restrictions are warranted.

Mitchel B. Wallerstein and Lawrence C. McCray, who served on the staff for that report, recently reviewed government export control actions since its publication and concluded that little has been done that reflects the panel's proposals.

The Academy Industry Program consists of 57 companies which have made unrestricted contributions to support projects initiated by the academies. Several times a year representatives of those companies are invited to Washington to attend seminars on timely topics.

—P.L.

Assistant Editor:
Pepper Leeper

A good thing that just went too far

The News believes that major changes should be made in the "Freedom of Information Act" to give the United States government the legal right to severely restrict the kind of documents and data that must now be released to anyone who requests it.

The original intent of the law was good, to keep America an open society and to prevent Watergate-type capers by some future administration that would abuse its authority for its own benefit and to the detriment of the public.

Congress, in an effort to solve the problem, overreacted and created problems far greater than the one the law was originally intended to solve.

U.S. news media worked long and hard to have the law passed, but it was never the wish of the industry to compromise the security interests of the nation. In our opinion, we have gone too far and the law and its application poses great danger to our country.

Significant numbers of secret agents have stopped providing intelligence to the CIA because they fear exposure under requirements of the federal Freedom of Information Act, the deputy director of the agency said.

Urging changes in the law, John N. McMahon said agents who once provided intelligence information, including some in the Soviet Union, "won't touch us any more."

"Foreign agents, some very important, have either refused to accept, or have terminated a relationship on the grounds that in their minds, the CIA is no longer able to guarantee that they can be protected," McMahon said on Wednesday.

"There are many more instances where sources who have discontinued relationships or reduced their information flow have done so because of their fear of disclosure," McMahon said.

In addition, he said, some foreign government refuse to pass on intelligence information to the CIA because they fear a legal requirement that might force public disclosure.

McMahon testified before a House Intelligence subcommittee which is considering legislation which would allow the CIA to exempt files about how it gathers intelligence from the information law.

Just this past week, the *Knoxville (Tenn.) News-Sentinel*, using material obtained by the Freedom of Information Act, disclosed in a copyrighted story details of work on a laser

Continued

C.I.A. Aide Complains Of Deterrent to Agents

WASHINGTON, Feb. 8 (AP) — The deputy director of the Central Intelligence Agency said today that significant numbers of secret agents had stopped providing intelligence to the agency because they feared exposure under requirements of the Freedom of Information Act.

The official, John N. McMahon, testified before a House Intelligence subcommittee that is considering legislation that would allow the C.I.A. to exempt files about how it gathers intelligence from the information law.

Urging changes in the law, Mr. McMahon said that agents who once provided intelligence information, including some in the Soviet Union, "won't touch us any more."

"Foreign agents, some very important, have either refused to accept, or have terminated a relationship on the grounds that in their minds the C.I.A. is no longer able to guarantee that they can be protected," Mr. McMahon said.

He provided no specific estimate of how many United States agents might have quit or refused to be recruited, except to say there have been "numerous such cases" in which United States sources had refused to cooperate without saying why.

ARTICLE APPEARED
ON PAGE A-4WASHINGTON POST
9 February 1984

CIA Says Potential Spies Lost Because of Information Act

United Press International

CIA Deputy Director John McMahon told Congress yesterday that the Freedom of Information Act has cost the agency the use of potential foreign spies who fear the agency will be forced to reveal their identities.

McMahon testified in favor of a bill that would exclude from the freedom of information process only the operational files of the CIA, those dealing with current operations, but would allow citizens to request information from other CIA files.

"Foreign agents, some very important, have either refused to accept or have terminated a relationship on the grounds . . . the CIA is no longer able to absolutely guarantee that they can be protected," McMahon

told a House Intelligence subcommittee.

"The FOIA also has had a negative effect on our relationships with foreign intelligence services," he said. "Our stations overseas continue to report consternation over what is seen as a potential legal requirement to disclose information entrusted to us."

A similar bill was approved by the Senate late last year. And McMahon said, "The exclusion . . . of operational files will send a clear signal to our sources and to those we hope to recruit that the information which puts them at risk will no longer be subject to the process."

An American Civil Liberties Union representative told the subcommittee the group may support the legislation drafted by the intelligence committee.

Approved For Release 2005/12/14 : CIA-RDP91-00901R000600200014-8

ARTICLE APPEARED
ON PAGE A-2WASHINGTON TIMES
9 February 1984

BRIEFLY / Capital

Agents gag on information act?

Significant numbers of secret agents have stopped providing intelligence to the CIA because they fear exposure under requirements of the federal Freedom of Information Act, the deputy director of the agency said yesterday.

Urging changes in the law, John N. McMahon said agents who once provided intelligence information, including some in the Soviet Union, "won't touch us any more." He said there are many sources who have discontinued relationships or reduced their information flow. In addition, some foreign governments refuse to pass on intelligence information to the CIA.

Mr. McMahon testified before a House Intelligence subcommittee which is considering legislation which would allow the CIA to exempt so-called operation files from public exposure, unless a federal judge ruled it had been improperly exempted.